



South Dakota Economic Update

March 14, 2016

Summary

Nonfarm payroll employment in South Dakota increased by 100 jobs and the unemployment rate fell to 2.8 percent in January according to data released by the Bureau of Labor Statistics (BLS).

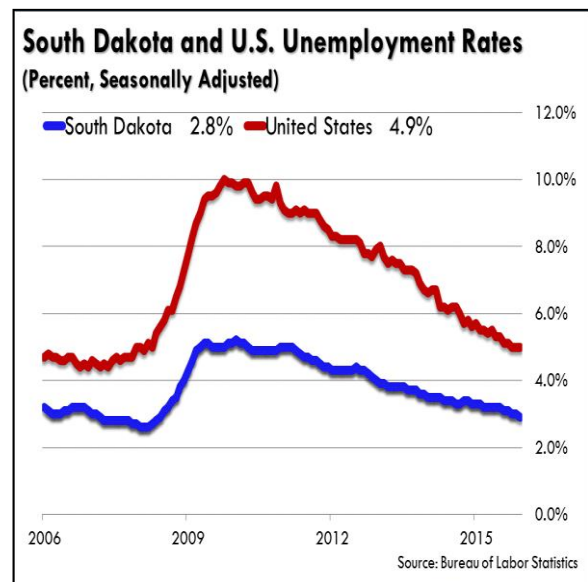
South Dakota Unemployment Rate

During January, the unemployment rate in South Dakota declined by 0.1 percentage point to 2.8 percent. The number of people counted as unemployed fell by 634 in January to 12,638, while the labor force grew by 652 to 453,739. South Dakota posted the lowest unemployment rate in the nation. A year earlier, the unemployment rate in South Dakota stood at 3.3 percent.

The 10 year peak for the unemployment rate in South Dakota was 5.2 percent in January 2010. The series high for the unemployment rate in South Dakota occurred in January 1983 when the unemployment rate reached 5.9 percent.

The 10 year low for the unemployment rate in South Dakota was 2.6 percent in March 2008. The series low for the unemployment rate in South Dakota occurred in July 2000 when the unemployment rate reached 2.4 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate was unchanged at 4.9 percent in February. February's unemployment rate was 0.6 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2007.



South Dakota Payroll Employment

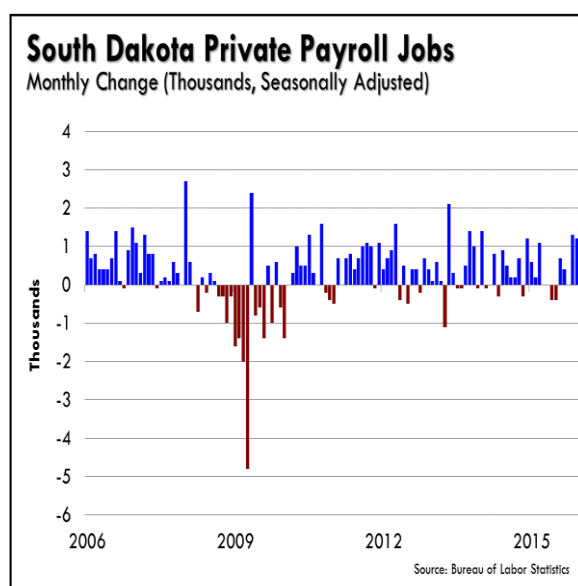
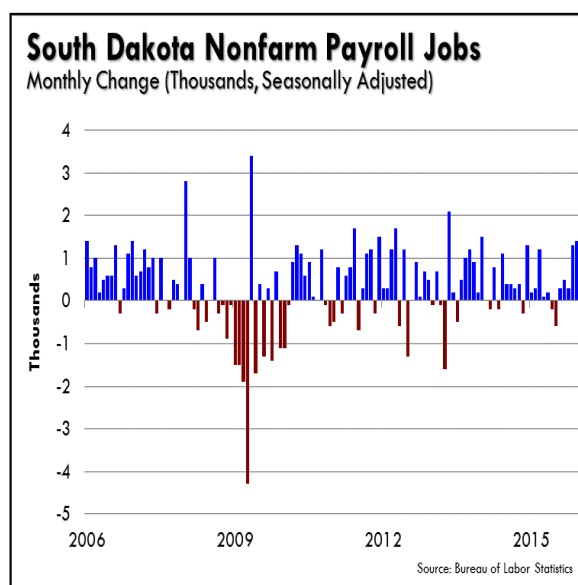
South Dakota nonfarm payrolls increased by 100 jobs, or 0.02 percent, on a seasonally adjusted basis during January. In the prior month, nonfarm payrolls increased by 1,400. Over the past 12 months nonfarm payrolls in South Dakota increased by 4,900, or 1.15 percent. South Dakota nonfarm payroll employment has increased in 10 of the past 12 months.

Nationally, nonfarm payrolls increased by 242,000 jobs in February, or 0.17 percent. Over the 12-month period ending February 2016 nonfarm payrolls grew by 2,672,000 jobs, or 1.9 percent. South Dakota ranks 33rd among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During January, South Dakota private sector payrolls increased by 600, or 0.17 percent. Private sector payrolls increased by 1,200 jobs in the prior month. Over the past 12 months, private sector payrolls in South Dakota increased by 4,700, or 1.35 percent. South Dakota private sector payroll employment has increased in 7 of the past 12 months.

Nationally private-sector payroll jobs increased by 230,000 jobs in 1.9, or 0.19 percent. Over the past 12 months, the nation's economy has added 2,597,000 jobs in the private sector, an increase of 2.18 percent. South Dakota ranks 33rd among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During January, total government payroll employment in South Dakota declined by 500, or 0.64 percent. Federal government payroll employment was unchanged. State government payroll employment declined by 100, or 0.54 percent, while local government payroll employment declined by 400, or 0.82 percent.



Over the past year, total government payroll employment increased by 200, or 0.26 percent. State government payroll employment was unchanged. Local government payroll employment increased by 100, or 0.21 percent.

The best performing sectors on a seasonally adjusted basis during January were Logging, Mining & Construction (+500) and Leisure & Hospitality (+500). The poorest performing sectors during the month were Total Government (-500) and Manufacturing (-400).

The best performing sectors during the last twelve months were Trade, Transportation & Utilities (+2,300) and Leisure & Hospitality (+1,200). The poorest performing sectors for the year were Manufacturing (-1,700) and Other Services (-200).

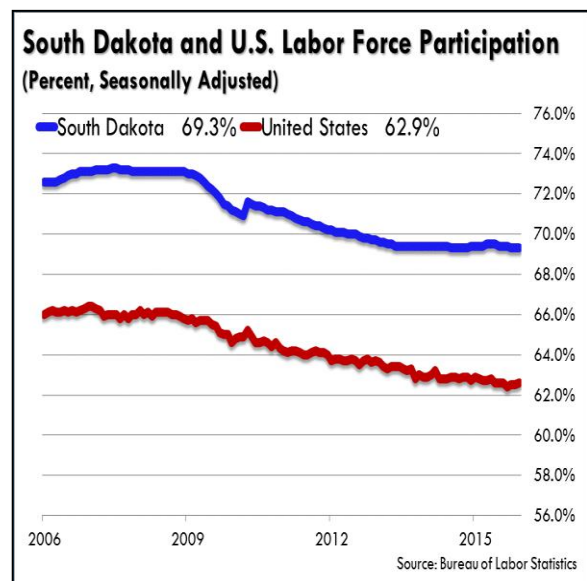
Other South Dakota Labor Force Statistics

The labor force participation rate in South Dakota was unchanged at 69.3 percent in January. Among the 50 states and the District of Columbia, 5 have a higher labor force participation rate than South Dakota. The labor force participation rate in South Dakota is unchanged from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10 year high for the labor force participation rate in South Dakota was 73.3 percent in July 2007. The series high for the labor force participation rate in South Dakota occurred in July 2004 when the labor force participation rate hit 73.4 percent. The 10 year low for the labor force participation rate was 69.3 percent in December 2015. The series low for the labor force participation rate occurred in August 1976 when the labor force participation rate hit 64.3 percent.

The national labor force participation rate rose by 0.2 percentage point to 62.9 percent in February, but remains near its 38-year low of 62.4 percent.

The employment-to-population ratio, or the percentage of the South Dakota civilian noninstitutionalized population 16 years and older counted as employed, rose to 67.4 percent in January from 67.3 percent the prior month. At 67.4 percent, South Dakota has one of the five highest employment-to-population ratios in the nation. The employment-to-population ratio in South Dakota is 0.3 percentage point higher than a year earlier.



The 10 year high for the employment-to-population ratio in South Dakota was 71.2 percent in February 2008. The series high for the employment-to-population ratio in South Dakota occurred in February 2000 when the employment-to-population ratio hit 71.4 percent. The 10 year low for the employment-to-population ratio was 66.8 percent in November 2013. The series low for the employment-to-population ratio occurred in September 1976 when the employment-to-population ratio hit 62.2 percent.

The national employment-to-population ratio rose by 0.2 percentage point to 59.8 percent in February. That rate was 0.5 percentage point higher than a year earlier. The all-time high for the employment-to-population ratio was 64.7 in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population ratio posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for February is scheduled for release on March 25, 2016. The national employment situation report for February was released on Friday, March 4, 2016.

